

## Alleged Jump-In Result in Arrests



On May 20, 2010, Richard and Nancy Compton were arrested in Bucks County and charged with one count of Criminal Conspiracy (F3), one count of Insurance Fraud (F3), one count of Criminal Attempt/Theft by Deception (F3) and one count of Theft by Deception (M1).

According to the Criminal Complaint, while driving his truck on April 22, 2009, Richard Compton was involved in a motor vehicle accident wherein he struck a parked car. Richard was alone at the time of the accident. Richard then filed a claim with the Travelers Insurance Company, reporting that his truck had been side-swiped on the highway by another truck that was driven away and could not be identified. The Complaint further stated that Richard falsely reported that both he and his wife, Nancy, were in his truck and she had been injured as a result of the incident. The Comptons filed claims through an attorney with Travelers for, among other things, medical expenses that Nancy had allegedly incurred. According to the Complaint, Richard's assertion that his truck was struck by another truck that fled caused Travelers to treat the claims under the Unidentified Motorist provision of their policy which would have entitled the Comptons to payment for pain and suffering. Once, Travelers learned how the accident occurred and provided the Comptons' attorney with that information, the Comptons immediately withdrew their claims.



On May 13, 2010, Don Cunningham was arrested in Philadelphia County and charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (M1).



According to the Criminal Complaint, on July 12, 2008, there was a three vehicle accident on a street in Philadelphia involving a vehicle insured by the Progressive Insurance Company, a parked Ford Van and a third vehicle which fled the scene after striking the other two vehicles. The Complaint further stated that Cunningham claimed he was an occupant of the parked Ford Van and subsequently submitted claims to both Progressive and the Pennsylvania Assigned Risk Plan. Witnesses to the accident stated that they observed Cunningham at a family barbecue in the park prior to the accident. They further stated that immediately after hearing the crash, they observed Cunningham run from the park and jump into the parked van to await the arrival of the police.

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## ARRESTS

Insurance Fraud

- On May 24, 2010, American Business Insurance Services (ABIS) was arrested in Montgomery County. According to the Criminal Complaint, during an eight month period in 2006 and 2007, monies came into ABIS in excess of \$250,000 for premiums on over seventy insurance policies. These policies were written for their insureds with RCA Insurance Company, USG Insurance Company and Navigators Specialty Insurance Company. The Complaint further stated that the policy premiums were collected from the client businesses and placed in the company escrow account. From the escrow account, monies were transferred to ABIS' operating account to pay the operating expenses of the business. The insurance companies never received the premium monies in any of these circumstances. ABIS Corporation has been charged with one count of Insurance Fraud (F3), and three counts of Theft by Failure to Make Required Disposition of Funds (F3), Theft by Deception (F3) and Misapplication of Entrusted Funds (M2).
- On May 7, 2010, Anthony D'Angelo was arrested in Montgomery County. According to the Criminal Complaint, on April 14, 2008, NJ State Police observed a car belonging to D'Angelo being driven into an auto salvage and storage facility under investigation for shipping stolen cars overseas. D'Angelo's car remained at that location until September 24, 2008, when it was recovered during the execution of a warrant. The Complaint, however, further stated that on April 16, 2008, D'Angelo reported to the Philadelphia Police that his car had been stolen that morning. D'Angelo told the police and, later, his insurer, the Nationwide Insurance Company, that he parked his car in Philadelphia on April 15th, and discovered it stolen the next morning. Nationwide paid the lien holder \$25,048.23 and paid D'Angelo \$9,049.11. Anthony D'Angelo has been charged with one count of Insurance Fraud (F3), Theft by Deception (F3) and False Reports to Law Enforcement Authorities (M3).
- On May 25, 2010, Brandon Plummer was arrested in Westmoreland County. According to the Criminal Complaint, Plummer reported to the Motorists Insurance Company that he wrecked his vehicle when his tire blew out. However, the Complaint stated that Plummer instead wrecked his vehicle intentionally. Motorists paid out \$11,827.02 in benefits on the claim. Brandon Plummer has been charged with one count of Insurance Fraud (F3) and one count of Theft by Deception (F3).
- On May 13, 2010, Christy Comfort was arrested in Washington County. According to the Criminal Complaint, Comfort went on disability due to dizziness and seizures. Comfort began receiving monthly disability payments of \$1,449 retroactive to August 2008. The Complaint further stated that on April 6, 2009, Comfort spoke to a representative of The Hartford Insurance Company and reported that she has continuous dizzy spells, severe headaches, cannot drive a motor vehicle, lies on her couch for most of the day and has to crawl to the bathroom due to dizziness. However, according to the Complaint, surveillance conducted on numerous dates through April and May, showed Comfort driving a vehicle and performing functions of daily living inconsistent with what she previously reported to Hartford. Christy Comfort has been charged with one count of Insurance Fraud (F3) and Theft by Deception (F3).
- On May 27, 2010, Irene Stiffey and Clyde Gallagher were arrested in Westmoreland County. According to the Criminal Complaint, Stiffey was injured in an auto accident on July 17, 2009. Later that day, Stiffey and Gallagher, an insurance agent, completed and back-dated an application for insurance coverage with the Combined Insurance Company so that it appeared as if the application preceded Stiffey's injuries. Furthermore, the Complaint stated that two weeks later, Stiffey filed a claim with the Combined Insurance Company for \$2,475 in benefits under the policy, falsely claiming that she applied for coverage before she was injured. Irene Stiffey has been charged with three counts of Insurance Fraud (2 F3 & 1 M1) and one count of Criminal Attempt/Theft

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by Deception (F3). Clyde Gallagher has been charged with two counts of Insurance Fraud (F3 & M1) and one count of Criminal Attempt/Theft by Deception (F3).

- On May 25, 2010, Alex Lopez was arrested in Bucks County. According to the Criminal Complaint, Lopez insured his Toyota Corolla and RAV4 with the Infinity Insurance Company and signed forms indicating that only he and his wife would be driving the two vehicles. However, the Complaint further stated that a friend of Lopez was living with him at that time and that the friend was exclusively driving the Corolla. The Complaint stated that the Corolla was purchased solely for the friend to operate and that the friend had no license to operate a motor vehicle. Alex Lopez has been charged with one count of Insurance Fraud (M1).
- On May 6, 2010, Dominic Goncalves was arrested in Monroe County. According to the Criminal Complaint, Goncalves reported to the Pennsylvania State Police that his 2008 Honda CRV was stolen from a movie theatre in Stroudsburg. Furthermore, on May 13, 2009, Goncalves submitted a claim to the Geico Insurance Company, alleging the theft of the vehicle on May 12, 2009. However, according to the Complaint, when Geico attempted to input the information regarding the alleged stolen vehicle into the NICB database, they discovered that the vehicle in question had already been entered into the system on May 6, 2009 in New York City after the car was found burnt. Dominic Goncalves has been charged with one count of Insurance Fraud (F3) and False Reports to Law Enforcement Authorities (M3).
- On May 27, 2010, Isaiah Fields was arrested in Delaware County. According to the Criminal Complaint, on December 14, 2009, Fields contacted the Infinity Insurance Company and reinstated his insurance policy which had been cancelled earlier in the month for non-payment. Three days later, Fields submitted a claim alleging that his vehicle had been involved in an accident on December 17th near the West Chester University. However, according to the Complaint, Fields lied about both the date and location of the accident that caused the

damage to the vehicle. The Complaint stated that Fields had been driving his vehicle on the turnpike when he hit a guard rail and crashed, injuring one of his passengers who subsequently required medical treatment. Isaiah Fields has been charged with one count of Insurance Fraud (F3) and Criminal Attempt/Theft by Deception (F3).

- On May 26, 2010, Rose Milkovich was arrested in Allegheny County. According to the Criminal Complaint, Milkovich forged nine prescriptions for Vicodin, each with refills, and caused the cost of the medication to be billed to her former employer's personal Highmark health insurance plan. Rose Milkovich has been charged with one count of Drug Act Offense (F) and Insurance Fraud (F3) and two counts of Forgery (M1).



- Joshua Alvarez pled guilty to six counts of Theft by Unlawful Taking (F3) and one count of Criminal Conspiracy (F3) in Washington County. Alvarez was at the center of a group of inter-related individuals dealing with stolen motorcycles and ATVs in western Pennsylvania. Alvarez worked at Bentley's Cycles, a motorcycle shop in Canonsburg. In several instances, Alvarez used his position at the cycle shop to acquire addresses of customers who then became his theft victims. Alvarez, often working with other co-defendants, stole motorcycles and disposed of most of them by sales arranged by or through another co-defendant who used his business connections. The total actual loss was approximately \$80,000, and Alvarez is jointly and severally responsible for \$20,877.52. On May 17, 2010, Joshua Alvarez was sentenced to serve 2 to 5 years incarceration, followed by 5 years of probation and ordered to pay joint and several restitution in the amount of \$20,877.52 and all court costs.
- Lesley Gilmore pled guilty to one count of Insurance Fraud (M1) in Berks County.





Gilmore met with an agent from the Prudential Insurance Company on October 2, 2009, to complete and sign an application for a \$250,000 life insurance policy. Gilmore verbally stated to an insurance

representative on the phone that he had no criminal history within the last ten years and also indicated the same on the signed policy application. Our investigation revealed that Gilmore misrepresented the facts of his criminal history both verbally and on his policy application. Furthermore, Gilmore's criminal history revealed that he had several felony arrests and convictions in New Jersey and was on state parole on October 2nd, the date of his life insurance policy application. On May 19, 2010, Lesley Gilmore was sentenced to serve 91 days (time served) incarceration and ordered to pay a fine of \$100 and all court costs.

- Karen Cuthbertson pled guilty to one count of Workers Compensation Fraud (F3) in Philadelphia County. Cuthbertson had a joint bank account with Anthony Luzzo who received workers compensation benefits from the Magna Carta Insurance Company. Mr. Luzzo passed away but Magna Carta continued to send out his checks as they did not receive notice of his death. Cuthbertson signed Mr. Luzzo's name to the back of twenty-one checks totaling \$17,986.92, deposited them into the joint bank account and then withdrew money using her ATM card. Cuthbertson also ignored an LIBC form and an accompanying letter addressed to Mr. Luzzo advising him that he had to return the form in order to continue to receive his workers compensation benefits. On May 26, 2010, Karen Cuthbertson was sentenced to serve 3 years probation and ordered to perform 50 hours of community service, pay restitution of \$17,986.92 and all court costs.
- Alfred Viggiani pled guilty to one count of Insurance Fraud (F3) and one count of Forgery (M1) in Pike County. Viggiani filed a homeowner's claim with the State Farm Insurance Company for a hot tub that he alleged was stolen from his residence. Viggiani provided a fraudulent receipt

showing that the hot tub was purchased for over \$8,800 and received \$8,957 in payment from State Farm. Additionally, our investigation revealed that the hot tub was bought for a "couple of hundred dollars" and then re-sold years later for a similar price, by Viggiani. On May 27, 2010, Alfred Viggiani was sentenced to serve 3 years probation and ordered to pay a fine of \$1,000, restitution of \$8,957.17 and all court costs.

- Susan Musso entered a nolo contendere plea to one count of Criminal Attempt/Theft by Deception (M1) in Lackawanna County. Musso filed an automobile insurance claim with the Progressive Insurance Company for \$6,620 of lost wages wherein she stated that while seated in her 2005 Lincoln Aviator, she reached for a bag of her belongings which she left on the ground next to her vehicle and fell out of her vehicle injuring her wrist. However, our investigation revealed that Musso injured her wrist when she fell off of an air mattress at her place of employment and therefore, she would not have been eligible to receive lost wage benefits under her automobile insurance policy. On May 17, 2010, Susan Musso was sentenced to serve 2 years probation and ordered to perform 40 hours of community service, pay a fine of \$200 and all court costs.
- Matthew Harter pled guilty to one count of Insurance Fraud (M1) in Luzerne County. Harter was a licensed insurance agent in Wilkes-Barre. Our investigation revealed that over a two year period between 2007 and 2009, Harter submitted applications to the Bankers-Conseco Insurance Company containing false and made-up information for the sole purpose of obtaining commission payments from Bankers-Conseco. As a result of these false applications, Harter received approximately \$10,000 in commission payments from Bankers-Conseco that he was not entitled to receive. On May 18, 2010, Matthew Harter was sentenced to serve 2 years probation and ordered to pay restitution of \$8,917.12 and all court costs.

#### (ARD) DISPOSITIONS

During May, three defendants received Accelerated Rehabilitative Disposition (ARD).